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## **WarehouseUSA Capital Corp. (formerly NovaStar Capital) Implements Street Resource Group's Warehouse Loan System; Warehouse Lender Selects SRG for Improved Integration between Correspondents and Wholesale Divisions**

ATLANTA--(BUSINESS WIRE)--Aug. 15, 2006--Street Resource Group, Inc. (SRG), a provider of innovative technology solutions and software specific to warehouse lending, announced that WarehouseUSA Capital Corp. (formerly NovaStar Capital, Inc.), a unit of NovaStar Financial, Inc., offering warehouse credit lines and top-notch lending expertise to national or regional mortgage originators, has implemented Street Resource Group's Warehouse Loan System (WLS). WarehouseUSA provides warehouse capital on mortgages from lenders who originate conforming, Alt-A and nonprime loans for sale to high-quality lenders and investors, as well as NovaStar Mortgage, Inc., the primary correspondent lending unit of NovaStar Financial.

"WarehouseUSA's commitment to the success of our business partners in large part determined our selection of Street Resource Group's Warehouse Loan System," said Ken Logan, executive vice president and chief operating officer for WarehouseUSA. "We strive to make it easy for mortgage lenders to do business with us, and offering our customers a fully automated tool for managing their warehouse lines is one way to meet that objective."

Through its implementation of WLS, WarehouseUSA has been able to fully automate its validation failure checks, an external process that required manual identification of failures and forwarding of the loan for review by warehouse personnel. WLS offers a generic validations web service that allows WarehouseUSA to preserve existing code and systems (including interfaces with outside service providers), and to leverage that code for its warehouse lending automation.

"We are pleased that we could deliver the specific solution WarehouseUSA wanted," said Stanley M. Street, president of Street Resource Group. "Not only were we able to deliver integration with custom underwriting configurations, but we also worked to install 100 percent of its originators in just one month, after which they were able to import loans via our standardized FNMA 3.2 template and electronically submit them directly to the warehouse. The originators' ability to now be connected online, real-time with WarehouseUSA improves the efficiency of the entire warehouse transaction and provides them with instant access to their loan funding status and collateral tracking information."

SRG adapted its WLS web services to allow WarehouseUSA to process loans via its legacy connections to obtain wiring instructions, compliance checks, credit history, underwriting, originator license data, funding approval, and other vendor information, then return validation results based on this data to the warehouse system. SRG also provided WarehouseUSA the ability to eliminate duplicate data entry by importing loan data already entered into the warehouse lender's internal correspondent channel system. The internal imports use the WLS template-driven import, which is totally configurable in WLS and required no additional programming. WarehouseUSA's non-affiliate originators are importing loans from their loan origination systems through the WLS standardized FNMA 3.2 template.

### About WarehouseUSA

WarehouseUSA Capital Corp., based in suburban Atlanta, is a national lender able to warehouse loans in all 50 states. Line limits generally run from \$1 million to \$15 million. WarehouseUSA funds conventional, government, Alt-A, and nonprime loans, and allows 100 percent of the line

limit to fund nonprime and Alt-A loan types. Secure connections give lenders 24/7/365 access to real-time data on their WarehouseUSA lines and accounts, including detailed loan status and tracking. For more information, visit [www.WarehouseUSA.com](http://www.WarehouseUSA.com) or call Ken Logan, EVP at 1 (800) 334-1939.

#### About NovaStar Financial

NovaStar Financial, Inc. (NYSE:NFI) is a specialty finance company that originates, purchases, sells, invests in and services residential nonconforming loans. The company specializes in single-family mortgages, involving borrowers whose loan size, credit details or other circumstances fall outside conventional mortgage agency guidelines. A Real Estate Investment Trust (REIT) founded in 1996, NovaStar efficiently brings together the capital markets, a nationwide network of mortgage brokers, mortgage bankers and American families financing their homes. NovaStar Financial is headquartered in Kansas City, Missouri, and has lending operations nationwide.

#### About SRG

For the past twenty years, Atlanta-based Street Resource Group, Inc. (SRG) has been an innovative technology solutions provider to the financial services industry. For more than seven years, SRG has focused solely on the warehouse lending industry. First developed in 1994, SRG's core product is the SRG Warehouse Loan System, a configurable Microsoft .NET software application that provides an automated workflow environment for secure online real-time warehouse lending. This solution is specifically designed for warehouse lending and incorporates all of the functionality needed to manage the entire warehouse loan life cycle. For more information, visit [www.streetresource.com](http://www.streetresource.com).

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